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Dirprwy Weinidog y Celfyddydau a Chwaraeon, a'r Prif Chwip
Deputy Minister for Arts and Sport, and Chief Whip



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref DB/649/22

Delyth Jewell MS
Chair
Culture, Communication, Welsh Language, Sport and International
Relations Committee

18 January 2022

Dear Delyth,

Response to the Culture, Communications, Welsh Language, Sport, and International Relations Committee's *Response to Small Screen: Big Debate* report

I am writing in relation to the Communications, Welsh Language, Sport and International Relations Committee Report - *Response to Small Screen: Big Debate*.

There is no doubt as to the continued relevance of public service broadcasting in Wales. Our public service broadcasters play a crucial role informing, entertaining, educating and creating a common cultural citizenship, a role of particular importance during the COVID-19 pandemic. They are vital contributors to the growth of our economy and creative industries, as well as to devolution and sustaining and growing the Welsh language. They are key to delivering our ambitions for a diverse and inclusive industry, producing accessible and relevant content. As such, it is essential that urgent action is taken to develop a fit for purpose framework to ensure broadcasters are able to continue to deliver for the people of Wales.

Our own conversations with stakeholders reflect the views of the participants to your one-day enquiry into the challenges facing public service broadcasters. That urgent action is needed to take forward the recommendations set out in *Small Screen: Big Debate*, and that there must be full and fair Welsh representation in this work. Any delay to the introduction of a new model will have a fundamental impact on the ability of public service broadcasters to operate effectively in an increasingly global, online environment. Wales must have a strong voice in the development of any proposals if we are to protect, maintain and further Welsh interests. My officials are engaging with the UK Government Department for Digital, Culture, Media and Sport (DCMS) on the steps being taken by the UK Government in response to *Small Screen: Big Debate*. They are also in discussions with both Ofcom and DCMS on a range of activities of relevance to this work, such as the consultation on audience protection on video-on-demand services and the proposed Online Safety Bill.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Any future regulatory framework must address the impact of global streaming services, and we agree the UK Government should respond positively to the Ofcom recommendations related to streaming platforms. The need to broaden and protect prominence and discoverability of public service broadcasting content on these platforms has been consistently raised with us by stakeholders, and is a particular area where the need for swift action has been stressed. As noted in Ofcom's Media Nations 2021 report 'more than half of households in Wales (59%) have a subscription to video-on-demand services from companies such as Netflix, Amazon, Disney+ and Now TV'. This has increased from a figure of 54% of households with a subscription to one or more of the paid-for online services at the beginning of 2020, as set out in its 2020 report. As this trend continues, a framework is needed to ensure viewers can easily find and access Welsh content in an increasingly global marketplace. This includes the need for mechanisms to ensure this content is carried on digital platforms on fair terms. This framework should be informed by learning from other countries and we agree examples of approaches elsewhere should be considered during the development of solutions, in particular those with similar circumstances to Wales.

The Welsh Government also agrees it is timely for Ofcom's operations in Wales to be reviewed at this critical time for the broadcasting sector. As we look to ensure the policy and legislative framework evolves in line with changes to the broadcasting landscape, we also need to ensure Ofcom in Wales is adequately resourced to effectively carry out its duties. The Welsh Government works closely with Ofcom to ensure provision meets the needs of Welsh citizens and we are grateful for the positive relationship with officers in Wales and the Ofcom Board member for Wales. However, as the pace of change in the sector increases and results in the need for additional capacity and skills to reflect new and emerging opportunities, challenges and work-streams, the UK Government must ensure additional resources are provided to resource this.

Our response to the previous Senedd Culture, Welsh Language and Communications Committee's report on broadcastings agreed that the nations should have a role in important funding decisions, in the context of broadcasting's independence from government. Decisions taken at a UK level on funding settlements have a fundamental impact on delivery of services in the nations, and we would welcome a formal mechanism that ensures these are made in full and effective consultation with key stakeholders from different parts of the UK. Public service broadcasters must be adequately resourced in order to deliver relevant, diverse content that serves Welsh audiences.

I note the comments of participants to the Committee's one-day review, which highlight the importance of public service broadcaster commissioning to the growth of the creative industries in Wales. These statements echo the findings of reports published in 2021, including the assessment of the economic impact of S4C in Wales and the UK, and the assessment of the BBC's contribution to the UK economy. There is no doubt that public service broadcasters have helped to grow the independent production sector in Wales, with their spend resulting in the sustainability of a number of highly successful independent companies now creating both scripted and unscripted content for many channels and networks. This investment must continue if we are to maintain and grow our reputation as a creative hub and win our fair share of the growth projected for the sector at a UK level over the next few years. To achieve this, it is vital that the public service broadcasters' objectives reflect their value to the economic and cultural landscape of Wales, and maximise their potential to support the growth of the creative industries in Wales.

In recognition of the importance of our public service broadcasters to Wales, in 2021 Creative Wales entered into Memorandums of Understanding (MOUs) with the BBC and S4C to strengthen our relationship and provide clarity on areas of joint priority and focus. This work will continue in 2022 to explore MOUs with other public service broadcasters. Our

MOUs set out our shared vision of a sustainable, innovative, resilient sector in Wales which is bilingual, representative, fair and inclusive. This includes delivery of content which tells the stories, reflects the lives and landscape of the nation, as well as the language and culture, in a way that is compelling for both indigenous and global audiences. In addition, they seek to maximise opportunities to support the growth of the Welsh language.

As your report highlights, if new broadcasting structures are to truly meet the needs of Wales, discussions and decisions on their development must take into consideration our distinct situation. It must reflect our unique culture, our language, our legislative context and our reliance on public services broadcasters for the provision of public interest information and news. Given the role the Public Service Broadcasting Advisory Panel will play in the development of solutions to the challenges being faced by public service broadcasters, it is essential that Wales is represented on that group. I have asked my officials to raise this matter as part of their discussions with DCMS.

As you are aware, broadcasting is one of the areas which falls under the Co-operation Agreement the Welsh Government has entered into with Plaid Cymru and our work in this area will be taken forward in the context of those commitments. We will be progressing discussions with the Designated Members and will keep the Senedd updated as appropriate.

I thank the Committee for its work on this important matter and continued commitment to ensuring a fit for purpose broadcasting framework for Wales.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Dawn Bowden', written in a cursive style.

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